Project Tracking No.: E-022-FY03-DHS

Return on Investment Program Funding Application (FY 2003 Request)

This is an electronic template. Please enter your responses on this document. Only electronic submittals of this template will be accepted. Proposals submitted after the designated due date may not receive funding consideration.
FINAL AUDIT REQUIRED: The Enterprise Quality Assurance Office of the Information Technology Department is required to perform a final project outcome audit, after implementation, for all Pooled Technology funded projects.

SECTION I: PROPOSAL

Date: May 30, 2001

Agency Name: Woodward Resource Center

Project Name: Campus Area Network Upgrade

Expenditure Name: Campus Area Network Upgrade

Agency Manager: Barb McMenamin

Agency Manager Phone Number / E-mail: (515) 438-3145 bmcmena@dhs.state.ia.us

Executive Sponsor (Agency Director or Designee): Barry Wills, Business Manager

Request For ROI Application Waiver:

Agencies are required to complete this funding application when requesting funds for any project, any IT expenditure costing over $100,000, or any non-routine IT expenditure. If you feel there is compelling reason to waive this requirement, please provide (in the box provided below) a brief description of the project or expenditure, the budget amount, and a rationale for the waiver request. Until a decision is made regarding your waiver request, it is not necessary to complete any other portion of this application. The ITD Enterprise Quality Assurance Office will convey waiver request decisions within five working days of receipt.

Explanation:

A. Project or Expenditure Rationale

Is this project or expenditure necessary for compliance with a Federal standard, initiative, or statute? ☐ **YES** (If "YES," explain) ☒ **NO**

Explanation:

Is this project or expenditure required by State statute? ☐ **YES** (If "YES," explain) ☒ **NO**

Explanation:

Does this project or expenditure meet a health, safety or security requirement?
☒ **YES** (If "YES," explain) ☐ **NO**

IT PROJECT EVALUATION

Explanation: The Govonor intentions of being E by 2003, Woodward Resource Center (WRC) has supported the direction by moving several processes to an electronic platform. If our network goes down due to end of life equipment it means we have lost access to our entire computer system. Since parts are not available and newer equipment is not always compatible our down time could be very critical to our business and the people we serve.

Is this project or expenditure necessary for compliance with an enterprise technology standard?
☒ **YES** (If "YES," explain) ☐ **NO**

Explanation:
That the design, specifications, requirements, selection of network components and implementation of the Department's infrastructure will be the responsibility of the Division of Data Management, Department of Human Services working with ICN and ITS.

This is required to ensure a statewide corporate view of a secured data network that takes all aspects of data, applications and messaging into consideration, not only between all entities of DHS but other agencies, states and federal systems as well.

This includes the network servers, hubs, switches, internal routers, ups systems and wiring at any DHS local site or institution. Internal data fiber, termination of data fiber or risers also falls under the responsibility of DDM. Edge routers (routers that connect to the ICN) and LEC (local exchange carriers)
will be coordinated by DDM/DHS and ICN. All of this equipment will be administered and managed by the DDM/DHS and ICN using Network management tools (i.e., HP Openview) with the cooperation of local and institution IT staff.

Also our network equipment was installed in 1997. This will make the equipment 5 yrs. old in FY02 which is 2 yrs. over its userful life.

Is this project or expenditure consistent with meeting the goals and objectives of the State's strategic plans?
☒ **YES** (If "YES," explain) ☐ **NO**

Explanation: This would apply to The New Face of Iowa 2010 Goal 2. Electronically Connected to Each Other and the World.

Is this a "research and development" project or expenditure? ☐ **YES** (If "YES," explain) ☒ **NO**

Explanation:

B. Project or Expenditure Summary

1. Provide a pre-project or pre-expenditure (before implementation) and a post-project or post-expenditure (after implementation) description of the impacted system or process. In particular, note if the project or expenditure makes use of information technology in reengineering traditional government processes.

Response:
Pre-project: We presently have a "Home Run" multi mode fiber backbone installed on Woodward Resource Center's 310 acres. This project was completed in 1997. This includes using both switched and shared media in 40 wiring closets. Since all of our switches, hubs and the main switch is at end of life with Cisco and 3-COM, parts are no longer available or hard to locate. You also run into compatibility issues if you replace one switch. Example would be new switches use gigabit technology. This is not compatable with our main switch. Currently the speed to each building is 10/100 mb.
Post-project: Running single mode fiber between our main closets will allow gigabit speed to 16 of our major buildings. We would be able to have switched media at all closet locations. This will give us true 100mb to 24 of our buildings and 1000mb to 16 buildings that house our power users. This will improve the speed of our network. Give us some video desk top capability. Allow us to increase our network security through the switches in our plan.

2. Summarize the extent to which the project or expenditure improves customer service to Iowa citizens or within State government. Included would be such items as improving the quality of life, reducing the government hassle factor, providing enhanced services, improving work processes, etc.

Response:
*Efficiently and effectively exchange data with other state agencies and citizens.
*Staff training at the desktop.
*Provide needed bandwidth for better network performance.
*This system serves state and contract employees in the excess of 630 positions.
* Increased network security.

3. Identify the main project or expenditure stakeholders and summarize the extent to which each, especially citizens, is impacted. In particular, note if the project or expenditure helps reconnect Iowans to State government.

Response:
* The 233 clients we serve both on our campus and in the community. The improved speed of obtaining information from a client record improves service.
*All 630 employees will benefit from the speed and the video capability.
*Families and guardians of the clients we serve will also benefit. Being able to have the video to the desktop could allow a client to visit with their loved one on line.
*The citizens of the State of Iowa would benefit as well. Video conferencing will allow us to do business with consultants who would normally have to travel. This would save state dollars.
*Savings in down time. End of life equipment becomes costly to support.

SECTION II: PROJECT ADMINISTRATION

A. Agency Information

1. Project Executive Sponsor Responsibilities: The sponsor must have the authority to ensure that adequate resources are available for the entire project, that there is commitment and support for the project, and that the organization will achieve successful project implementation.

Response: No response required.

2. Organization Skills:
   a. List the project management skills necessary for successful project implementation
   b. List the project management skills available within the agency
   c. List the source(s) of project management skills lacking within the agency
   d. Summarize relevant agency project management experience and results

Response:
a. Develop a plan. This has been completed between Barb McMenamin, WRC and Steve Harris, DDM contract employee.
b. The skills are available between WRC, DDM, and ITD.
c. None
d. The current team of Barb McMenamin, WRC and Steve Harris, DDM contract employee worked together to implement the WRC Campus area network.

B. Project Information

1. History:
   a. Is this project the first part of a future, larger project? If so, please explain.
   b. Is this project a continuation of a previously begun project? If so, please explain project history, current status, and results.

Response:
a. No
b. This project is a continuation of the CAN that was installed in 1997.

2. Expectations: Describe the primary purpose or reason for the project.

Response:
*This project is imperative to the integrity of the network to upgrade and replace end of life equipment.
* Provide bandwidth needed to efficiently exchange data and make it possible to view training videos at the desktop.
* Performance and scalability issues for the 5500 core switch.
* Increased network security requirements.

3. Measures: Describe the criteria that will be used to determine if the project is successful.

Response:
*The improvement of speed between buildings.
*The ability to view training videos at the desktop in full motion.

4. Environment: List the project participants (i.e. single agency, multiple agencies, State government enterprise, citizens, associations, or businesses, etc.).

Response:
* WRC , DDM contract staff, and ITD.
* Training videos will be developed in coordination between WRC and ITD.

5. Risk: Describe the project risks which may be internal or external to State government, i.e. implementing versus not implementing project, changing technology, potential cost overruns, changing citizen demand or need, etc.

Response:
* Risk #1. Downtime to the network.
* Risk #2. Having to replace equipment in a crisis mode is always more costly.
* Risk #3. Downtime will compute in completing task by hand and entering data when the system is back online. This will not only incur cost to upgrade on demand. It will cost in overtime for data entry.
*Risk # 4. This has the potential of being a safety issue. Not having access to client medical information.

6. Security / Data Integrity / Data Accuracy / Information Privacy
   a. List the security requirements of the project
   b. Describe how the security requirements will be integrated into the project and tested
   c. Describe what measures will be taken to insure data integrity, data accuracy and information privacy.

Response:
a. NA
b. NA
c.Hardware will be tested and configured to the network. All fiber will be tested.

7. Project Schedule
   Describe general time lines, resources, tasks, checkpoints, deliverables, responsible parties, etc.

Response:
July 2002 - Barb McMenamin will order Cisco equipment.
July 2002 - Barb McMenamin will work with vendor to order fiber.
Septmeber 2002 - (or when equipment arrives) Barb McMenamin will work with Steve Harris, contract employee with Division of Data Management to install and test fiber and equipment.

December 2002 - Equipment will be tested, installed, and operating.

SECTION III: TECHNOLOGY (In written detail, describe the following)

A. Current Technology Environment

1. Software (Client Side / Server Side / Midrange / Mainframe):
   a. Application software
   b. Operating system software
   c. Major interfaces to other systems, both internal and external

Response:
Not Applicable

2. Hardware (Client Side / Server Side / Mid-range / Mainframe):
   a. Platform, operating system
   b. Storage and physical environment
   c. Connectivity and bandwidth
   d. Logical and physical connectivity
   e. Major interfaces to other systems, both internal and external

Response:
a. Ethernet, Microsoft Windows NT
b. NA
c. There are 100mb between Cisco 3000 switches. Cat. 5 cable to the desktop with 10/100 ethernet cards.
d. WRC moves data on multi mode fiber through switched and shared hardware.
e. T1 to DHS wide area network.

B. Proposed Technology Environment

1. Software (Client Side / Server side / Mid-range / Mainframe)
   a. Application software
   b. Operating system software
   c. Major interfaces to other systems, both internal and external
   d. General parameters if specific parameters are unknown or to be determined

Response:
a. Cisco LMS for NT
b. Windows NT
c. Not Applicable
d. Not Applicable

2. Hardware (Client Side / Server Side / Mid-range / Mainframe)
   a. Platform, operating system
   b. Storage and physical environment
   c. Connectivity and Bandwidth
   d. Logical and physical connectivity
   e. Major interfaces to other systems, both internal and external
   f. General parameters if specific parameters are unknown or to be determined

Response:
a. Ethernet, Microsoft Windows NT
b. NA
c. Fast ethernet 100mb to 24 closets, Gigabit 1000mb speed to 16 closets.
d. Adding single mode fiber between the main switch closet to the secondary splice closet. This will allow GB bandwidth.
e. T1 to DHS wide area network.
f. NA

C. Data Elements

If the project creates a new database, provide a description of the data elements.

Response: Not Applicable

SECTION IV: Financial Analysis

A. Budget: Enter figures and calculate (see formula below) Total Annual Prorated Cost (State Share).

$$\left[\left(\frac{Budget\ Amount}{Useful\ Life}\right)\times \%\ State\ Share\right]+\left(Annual\ Ongoing\ Cost\times \%\ State\ Share\right)=Annual\ \text{Pr}orated\ Cost$$

Budget Line Items	Budget Amount (1st Year Cost)	Useful Life (Years)	% State Share	Annual Ongoing Cost (After 1st Year)	% State Share	Annual Prorated Cost
Agency Staff	$	1	%	$	%	$
Software	$	4	%	$0	0%	$
Hardware	$293029	3	100%	$0	%	$97676
Training	$	4	%	$	%	$
Facilities	$	1	%	$	%	$
Professional Services	$	4	%	$	%	$
ITD Services	$	4	%	$	%	$
Supplies, Maint, etc.	$5750	1	100%	$	%	$5750

Other (Specify)	$14300		4		100%		$		%	$3575
Totals	$		-------		-------		$		------	$107001

Transfer this amount to the ROI Financial Worksheet, item “D” on page 13.

B. Funding: Enter data or provide response as requested

1. This is (pick one):
   - ☐ A Pooled Technology Fund or Reengineering Fund Request
   - ☒ An Agency IT Expenditure or Budget Request (General Fund, Road Funds, etc)
   - ☐ Other – Specify:

2. On a fiscal year basis, enter the estimated cost by funding source?

	FY03		FY04		FY05	
	Cost ($)	% Total Cost	Cost ($)	% Total Cost	Cost ($)	% Total Cost
State General Fund	$313079	100%	$21932	100%	$21932	100%
Pooled Tech. Fund	$	%	$	%	$	%
Federal Funds	$	%	$	%	$	%
Local Gov. Funds	$	%	$	%	$	%
Grant or Private Funds	$	%	$	%	$	%
Other Funds (Specify)	$	%	$	%	$	%
Total Project Cost	$313079	100%	$21932	100%	$21932	100%

If applicable, summarize prior fiscal year funding experience for the project / expenditure.

Response:

1. On a fiscal year basis, how much of the total ($ amount and %) project / expenditure cost would be absorbed by your agency from normal operating budgets (all funding sources)?

Response: None

2. Identify, list, and quantify all new annual ongoing (maintenance, staffing, etc.) related costs (State $s) that will be incurred after implementation or expenditure.

Response: Added cost of service contracts on the new switches will be $21932. annually

C. ROI Financial Worksheet: Respond to the following and transfer data to the ROI Financial Worksheet (see IVC11) as necessary:

1. Annual Pre-Project Cost – Quantify all actual state government direct and indirect costs (personnel, support, equipment, etc.) associated with the activity, system or process prior to project implementation. This section should be completed only if state government operations costs are expected to be reduced as a result of project implementation.

Response: Not Applicable

2. Annual Post-Project Cost – Quantify all estimated State government direct and indirect costs associated with activity, system or process after project implementation. This section should be completed only if State government operations costs are expected to be reduced as a result of project implementation.

Response: Not Applicable

3. State Government Benefit -- Subtract the total "Annual Post-Project Cost" from the total "Annual Pre-Project Cost." This section should be completed only if State government operations costs are expected to be reduced as a result of project implementation.

Response: Not Applicable

4. Citizen Benefit – Quantify the estimated annual value of the project to Iowa citizens**.** This includes the "hard cost" value of avoiding expenses ("hidden taxes") related to conducting business with State government. These expenses may be of a personal or business nature. They could be related to transportation, the time expended on or waiting for the manual processing of governmental paperwork such as licenses or applications, taking time off work, mailing, or other similar expenses. As a "rule of thumb," use a value of $10 per hour for citizen time savings and $.325 per mile for travel cost savings.

Response: Not Applicable

5. Opportunity Value/Risk or Loss Avoidance Benefit – Quantify the estimated annual non-operations benefit to State government. This could include such items as qualifying for additional matching funds, avoiding the loss of matching funds, avoiding program penalties/sanctions or interest charges, avoiding risks to health/security/safety, avoiding the consequences of not complying with State or federal laws, providing enhanced services, avoiding the consequences of not complying with enterprise technology standards, etc.

Response: Not Applicable

6. Total Annual Project Benefit -- Add the values of all annual benefit categories.

Response: Not Applicable

7. Total Annual Project Cost – It is necessary to estimate and assign a useful life figure to each cost identified in the project budget. Useful life is the amount of time that project related equipment, products, or services are utilized before they are updated or replaced. In general, the useful life of hardware is three (3) years and the useful life of software is four (4) years. Depending upon the nature of the expense, the useful life for other project costs will vary between one (1) and four (4) years. On an exception basis, the useful life of individual project elements or the project as a whole may exceed four (4) years. Additionally, the ROI calculation must include all new annual ongoing costs that are project related. Completing Section IV-A, Project Budget of the evaluation document will provide all the necessary information for this item.

Response: $107,001

8. Benefit / Cost Ratio – Divide the "Total Annual Project Benefit" by the "Total Annual Project Cost." If the resulting figure is greater than one (1.00), then the annual project benefits exceed the annual project cost. If the resulting figure is less than one (1.00), then the annual project benefits are less than the annual project cost.

Response: -0-

9. ROI -- Subtract the "Total Annual Project Cost" from the "Total Annual Project Benefit" and divide by the amount of the requested State IT project funds.

Response: -0-

10. Benefits Not Readily Quantifiable -- List the project benefits which are not readily quantifiable (i.e. IT innovation, unique system application, utilization of new technology, hidden taxes, improving the quality of life, reducing the government hassle factor, meeting a strategic goal, etc.). Rate the importance of these benefits on a "1 – 10" basis, with "10" being of highest importance. Check the "Benefits Not Readily Quantifiable" box in the applicable row.

Response:
* Safety and Health of the people we serve by providing a secure and realiable Campus Area Network. - 10
* Difficulty in providing on-going support for current network, given end of life issue for switches. - 10
* Staff will receive the required training more efficiently. - 9

11. ROI Financial Worksheet

Annual Pre-Project Cost - How You Perform The Function(s) Now	
FTE Cost (salary plus benefits):	$
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	$
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	$
A. Total Annual Pre-Project Cost:	$
Annual Post-Project Cost – How You Propose to Perform the Function(s)	
FTE Cost:	$
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	$
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	$
B. Total Annual Post-Project Cost:	$
State Government Benefit (= A-B):	$
Annual Benefit Summary	
State Government Benefit:	$
Citizen Benefit:	$
Opportunity Value or Risk/Loss Avoidance Benefit:	$
C. Total Annual Project Benefit:	$
D. Annual Prorated Cost (SECTION IV-A):	$107001
Benefit / Cost Ratio: (C / D) =	
Return On Investment (ROI): (C – D / Requested Project Funds) x 100 =	**%**
☒ **Benefits Not Readily Quantifiable**	

Section V: ITC Project Evaluation Criteria

Criteria and Location in Project Evaluation Document		Points
1.	Is the project a statutory requirement; legal requirement; federal or state mandate; health, safety or security requirement or issue; and/or required for compliance with the enterprise technology standards? **Location: Section I-A**	**15**
2.	Will the project improve customer service? **Location: Section I-B.2**	**15**
3.	Does the project have a direct impact on citizens? To what extent does the project help reconnect state government with Iowans? **Location: Section I-B.3**	**10**
4.	Does the project provide a sufficient tangible and/or intangible return on investment? Will it generate savings or income? **Location: Section IV-C**	**10**
5.	Does the project make use of information technology and its practical application in reengineering traditional government processes consistent with the goals and objectives of the state's strategic plans? **Location: Section I-B.1**	**10**
6.	Risk: What are the risks associated with the project? Such risks may include those internal and external to state government, the risk of doing a project, the risk of not doing a project, and the risks associated with changing technologies, potential cost overruns, and changing citizen demands and needs. **Location: Section II-B.5**	**10**
7.	Is this funding required to continue a project that was begun prior to the year funding is being requested for and does it have proven past performance? Is the funding part of a multi-year strategy? **Location: Section II-B1, IVB2**	**10**
8.	Will the project be for only one agency, multiple agencies, or the state government enterprise? **Location: Section I-B3, IIB4**	**10**
9.	Has the applicant maximized their own and other resources in the project? Is alternative funding unavailable for this project? (If no other funding available, project will not be completed without Pooled Technology funding) **Location: Section IV-B.2, IV-B.3**	**5**
10.	What is the credibility of the requester based on past performance on other projects? **Location: Section II-A.2.d**	**5**
	Total	**100**